

PX 654

Message

From: Dinuka Samarasinghe [REDACTED]@ripple.com]
 Sent: 5/29/2020 10:44:19 AM
 To: [REDACTED]@ripple.com]
 CC: [REDACTED]@ripple.com]; Breanne Madigan [REDACTED]@ripple.com]; [REDACTED]@ripple.com]
 Subject: Re: XRP inflation stats - error?

Reiterating a few points we went over during our discussion on Tuesday:

- The sales numbers that Ripple reported for Q1 2020 are at a 95% discount. Sales numbers for Q4 2019 were only at a 95% from mid-November through the end of the year. ie, if [REDACTED] purchased \$20M worth of XRP, Ripple reported \$1M worth of XRP sales. There are no other quarters than I am aware of where XRP sales were at such a steep discount in aggregate.
- These reports are not counting just XRP sales from Ripple, but all XRP distributions, from Ripple and its founders, and they do not count what is currently held by founders, options holders, early investors, etc. as part of the free float. The numbers are the following:
 - total distributed supply on 5/26/2019: 42,238,947,941
 - total deferred supply (founders, etc.) on 5/31/2019: 17,886,655,616.45
 - total free float (distributed supply - deferred supply): 24,295,339,496
 - XRP sales by Ripple: 1,971,185,820
 - 8,322,472 sales per day * 365 by founders, etc.: 3,037,702,169
 - total XRP sales: 5,008,887,989
 - **total XRP inflation of free float: 5,008,887,989 / 24,295,339,496 = 20.62%**
- While we can push back on the sales numbers, our sales numbers are not a good proxy for XRP put into the market by Ripple. In pushing back on sales numbers, we are at risk at damaging our credibility.

Also, there are starting to be commentary regarding the discrepancy between Ripple published sales numbers and Ripple distribution of XRP. See the below quote from this reddit thread:

So lets talk about the term "XRP Distributed" versus "XRP Sales" obviously Ripple is providing the data for both stats, but they only talk about sales in the markets reports. Distribution is a much wider term. It can include things like "Business Development" like MoneyGram discussed above. It could be compensation incentives given to Ripple employees. Xpring is known to fund investments using XRP. All of these items aren't reported because they are not sales. Even with some generous guesses to the above categories, I have no idea what Ripple is really doing with the XRP in 2020 if they're not selling it. Even factoring in about 90 million XRP given to MoneyGram, there's still a significant amount distributed and I would love some opinions on what they think Ripple is doing with this XRP.

On Fri, May 29, 2020 at 1:00 PM [REDACTED]@ripple.com> wrote:

Agreed - I think it also makes sense to reach out to [REDACTED] capital as well. They've been negative on XRP for a while as seen [by this article here](#).

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On Fri, May 29, 2020 at 12:56 PM [REDACTED]@ripple.com> wrote:
Hi all,

Flagging that Cointelegraph published an [article](#) on the [REDACTED] report as well. We're going to reach out for a correction re: selling has actually dramatically decreased (they're using data from mid 2019), but let me know if there's anything else to correct as well.

Thanks!
[REDACTED]

On Tue, May 26, 2020 at 11:49 AM Breanne Madigan <[REDACTED]@ripple.com> wrote:
I can't make it but D and [REDACTED] have you in good hands.

Breanne Madigan
VP, Head Global Institutional Markets
[REDACTED]@ripple.com

On May 26, 2020 at 12:46 PM, <Dinuka Samarasinghe> wrote:

Works for me. Sorry, this was a pre-COVID vacation. . .

D

On Tue, May 26, 2020 at 12:44 PM [REDACTED]@ripple.com> wrote:
ok! will send an invite for today - how's 12 pm PT / 3 pm ET? Bre, Dinuka - you both have full day blocks, but lmk if that's ok.

On Tue, May 26, 2020 at 9:31 AM Dinuka Samarasinghe <[REDACTED]@ripple.com> wrote:
We should get on a Blue Jeans call to discuss this.

On Tue, May 26, 2020 at 11:53 AM [REDACTED]@ripple.com> wrote:
Hi team,

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We saw this [article](#) in Decrypt today - it makes some statements about XRP's inflation rate compared to other cryptos. Is this accurate?

It's obvious the author didn't look at the XRP Markets Report for 2020 data at least, so we can point him towards that, but wanted to make sure we had all the figures correct before reaching out.

Thanks!

[REDACTED]

[REDACTED]

Executive Communications

[REDACTED]

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